Message Text

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FM AMEMBASSY LONDON

TO SECSTATE WASHDC 2066

SECDEF WASHDC

INFO USMISSION NATO BRUSSELS

USCINCEUR

USNMR SHAPE

CINCUSNAVEUR

CINCUSAREUR

CINCUSAFE

USDOCOSOUTH

AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY LISBON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

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AMEMBASSY ROME

AMEMBASSY THE HAGUE

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CORECTED COPY (PARA 4 LINE 2)

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TAGS: MPOL, NATO, UK

SUBJECT: SECOND DAY OF DEBATE ON 1977 DEFENSE ESTIMATES

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REFERENCE: (A) LONDON 4843; (B) LONDON 5017

1. THE CONSERVATIVE AMENDMENT (REFTEL B) CENSURING THE GOVERNMENT'S DEFENSE CUTS WAS REJECTED BY A VOTE OF 277 TO 262 GIVING THE GOVERNMENT A MAJORITY OF 15. THE EIGHT LIBERALS WHO WERE PRESENT VOTED WITH THE CONSERVA-

TIVES. THIS IS THE FIRST VOTE ON AN ISSUE OF SUBSTANCE SINCE THE CALLAGHAN-STEEL ALLIANCE. A COMFORTABLE GOVERNMENT MAJORITY WAS ASSURED BY ABSTENTIONS AMONG THE RANKS OF SCOTTISH AND WELSH NATIONALISTS AND OF ULSTER MPS. TRIBUNITES AND OTHER LEFT-WING LABOR MPS UNEXPECTEDLY DID NOT MOUNT AN ATTACK ON THE GOVERNMENT TAKENOTE MOTION (REFTEL A), AND THEIR TWO AMENDMENTS (REFTEL B) WERE NOT SELECTED FOR A VOTE. SPEAKING FOR THE LIBERALS, EMLYN HOOSON SAID THAT LIBERAL MPS WOULD DO EVERYTHING THEY COULD TO STOP "THE FURTHER CUTS" PLANNED FOR 1978-79.

- 2. PATRICK DUFFY (UNDER SECRETARY OF DEFENSE FOR THE ROYAL NAVY) OPENED THE SECOND DAY OF DEBATE ON THE GOVERNMENT'S MOTION (REFTEL A). ON NATO AEW HE SAID THE GOVERNMENT REGRETTED NATO'S INABILITY TO MAKE A FIRM DE CISION LAST FRIDAY. THE GOVERNMENT WOULD THEREFORE "BE CAREFULLY CONSIDERING" THEIR ATTITUDE TO THE PROJECT AND THE NIMROD ALTERNATIVE IN LIGHT OF THE DPC DISCUSSIONS. HE SAID THAT MULLEY "HAD MADE CLEAR" IF THE UK WENT AHEAD WITH NIMROD IT "WOULD BE ON THE BASIS THAT IT WOULD CONTRIBUTE TO NATO'S AEW CAPABILITY." DUFFY SAID THE GOVERNMENT IS GIVING THE "MOST URGENT CONSIDERATION" TO THIS MATTER AND THE DECISION WOULD BE ON THE BASIS OF DAYS, NOT WEEKS.
- 3. ON THE BROADER ISSUES OF DEFENSE SPENDING, DUFFY ACCEPTED BRITAIN'S ALLIES EXPRESSED CONCERN AT THE "ECONOMIES WE ARE FORCED TO MAKE" BUT HE ARGUED THAT ANY UNCLASSIFIED

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EFFECT ON THE FRONT LINE WILL BE "KEPT TO A MINIMUM..."
HE SAID BRITAIN'S CONTRIBUTION TO NATO "IS AND WILL REMAIN SUBSTANTIAL" AND THAT HE DID NOT BELIEVE "IT IS MATERIALLY AFFECTED BY THE SHORT-TERM ECONOMICS" IN THE UK'S DEFENSE BUDGET.

4. WINSTON CHURCHILL (OPPOSITION SPOKESMAN ON DEFENSE) MOVED AN AMENDMENT TO THE MOTION (REFTEL B) NOTING THAT IT WAS "UNPRECEDENTED SINCE 1950" FOR A GOVERNMENT TO FAIL TO TABLE A MOTION "TO APPROVE THEIR OWN STATEMENT ON THE DEFENSE ESTIMATES." CHURCHILL, IN A LIVELY AND VIGOROUS PERFORMANCE, MOCKED AND SCORNED GOVERNMENT'S ARGUMENTS DEFENDING CUTS IN DEFENSE. HE SAID THE GOVERNMENT HAD LONG GIVEN THE IMPRESSION THAT THE CUTS ARE CONCENTRATED ON THE "TAIL" WHILE RESOURCES WOULD BE CONCENTRATED ON THE "TEETH". STRONGLY ATTACKING THE TAIL AND TEETH ARGUMENT, CHURCHILL DESCRIBED BRITAIN'S DEFENSE POLICY AS HAVING "NO MUSCLE, NO BRAIN, NO FLESH AND BLOOD, NO LIMBS, NO HEART, NO LIFE SUPPORT SYSTEM AND NO GUTS."

WHAT MULLEY DESCRIBED AS BRITAIN'S DEFENSE POLICY IS NOT EVEN "A SKELETON", CHURCHILL CLAIMED, AS THAT AT LEAST "HAS A BACKBONE. THE TAIL HAS GONE. ALL THAT REMAINS ARE TEETH. ALAS, WHEN THEY ARE EXAMINED CLOSELY, WE FIND YAWNING GAPS AND VAST AREAS OF DECAY. WHEN PUT TO THE TEST THIS BRAVE SOCIALIST ICH PASSES FOR DEFENSE POLICY IS REPREY TED BY NO MORE THAN A PAIR OF FALSE TEETH AND OUR LITTLE FRED (MULLEY) WITH HIS HORN-RIMMED SPECTACLES." (CONSERVATIVE LAUGHTER AND FROM THE GOVERNMENT SIDE SHOUTS OF "SHAME".)

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5. CHURCHILL ARGUED THAT THE YARDSTICK OF CONSERVATIVE DEFENSE POLICY WOULD BE "THE LEVEL OF PERCEIVED THREAT TO UNCLASSIFIED

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BRITAIN AND THE ALLIES". HE SAID THE MONEY AND RESOURCES ARE AVAILABLE FOR DEFENSE; "IT IS MERELY A QUESTION OF PRIORITIES." THE GOVERNMENT, HE SAID, PREFERS TO CUT EXPENDITURE ON DEFENSE "IN ORDER TO MOVE FORWARD TO THE SOCIALIST MARXIST STATE." CHURCHILL CITED STATISTICS TO SHOW THAT THE SHIFT OF RESOURCES AWAY FROM DEFENSE TOWARDS SOCIAL SERVICES "HAS BEEN QUITE STAGGERING". AS AN EXAMPLE, HE SAID IN 1960 EXPENDITURE ON HEALTH AND SOCIAL SECURITY WAS 50 PERCENT GREATER THAN ON DEFENSE BUT BY 1978 IT WOULD BE THREE TIMES AS MUCH.

- 6. ADDRESSING THE THREAT, CHURCHILL SAID IT IS ONLY RECENTLY THAT THE SOVIET UNION HAD ACQUIRED "A SERIOUS OFFENSIVE CAPABILITY... NOW FOR THE FIRST TIME THE SOVIET UNION, HAVING BOTH STRATEGIC AND NUCLEAR PARITY WITH THE WEST, HAD BUILT UP A CLEAR PREPONDERANCE OF POWER IN EUROPE. NO ACTION WOULD BE MORE CALCULATED TO DISRUPT THE STABILITY OF EUROPE OR THE PEACE OF THE WORLD THAN THIS DEVELOPMENT."
- 7. JOHN DAVIES (OPPOSITION SPOKESMAN ON FOREIGN AND COMMONWEALTH AFFAIRS) WOUND UP FOR THE CONSERVATIVE OPPOSITION AND REAFFIRMED THEY WOULD REDRESS THE SHORT-COMINGS OF A DEFENSE PROGRAM WHICH HAS BEEN REDUCED BELOW A LEVEL OF SAFETY. HE SAID THE NEW UNITED STATES ADMINISTRATION IS SHOWING A WILLINGNESS AND DESIRE TO BRING ABOUT CHANGES IN GREAT POWER RELATIONSHIPS. THE CONSERVATIVE PARTY WILL IN "EVERY WAY ASSIST IN THE MUTUAL REDUCTION OF WEAPONRY." DAVIES SAID THEY REACT VIOLENTLY AGAINST "A UNILATERAL REDUCTION...IT IS PARTICULARLY DAMAGING THAT WHAT HE BELIEVED TO BE THE MOST CREDIBLE EUROPEAN VOICE HITHERTO, THE UK, SHOULD BE DILUTING ITS OWN CREDIBILITY."
- 8. JOHN GILBERT (MINISTER OF STATE FOR DEFENSE) REPLYING TO THE DEBATE, SAID THAT IF STANDARDIZATION OF EQUIPMENT UNCLASSIFIED

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IS TO BE A SERIOUS RUNNER THERE HAD TO BE "MUTUAL SACRIFICES OF CAPABILITY AS BETWEEN ALLIES. THIS IS DIFFICULT TO ACHIEVE ACROSS INDUSTRY BOUNDARIES." GILBERT SAID IT IS CLEAR "THE FUTURE LAY IN MORE COLLABORATIVE PROJECTS." THAT HE SAID, WOULD MEAN "A SHARING OF DESIGN CAPABILITIES" WITH ALLIES.

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